

Opening Statement of the Honorable Fred Upton
Subcommittee on Health
Hearing on “Keeping the Promise: Site-of-Service Medicare Payment Reforms”
May 21, 2014

(As Prepared for Delivery)

The Medicare program is an important lifeline for millions of seniors and disabled Americans, but its deteriorating fiscal state is putting that lifeline at risk. Our committee remains focused on steps Congress can take to preserve the promise of Medicare for those who rely on the program, both today and for generations to come.

The Medicare Payment Advisory Commission, or MedPAC, has put forward a number of proposals that it believes would improve the effectiveness of Medicare by equalizing payments for the same service regardless of where it is delivered. These could potentially reduce out-of-pocket costs for seniors, while saving billions for taxpayers, by making sure care is delivered by the institutions that do so best.

In its March 2014 report, MedPAC identified Post-Acute Care – or those rehabilitative services provided to patients once they leave an inpatient hospital setting – as one area ripe for reform. They suggested that aligning the currently uncoordinated reimbursement systems would allow us to compare, assess, and reward where care is best delivered. Such proposals have found their way into legislation and continue to be raised as potential offsets for SGR reform legislation, among others.

Given the attention and respect that MedPAC proposals receive from Congress, I want to commend the Chairman for holding this hearing today. Post-Acute Care is an important area of jurisdiction for this committee, and today’s hearing will allow members the opportunity to hear from proponents and opponents of such policies as we continue the important discussion of what steps Congress needs to take to keep the promise of Medicare for seniors.

I also want to commend committee members Mike Rogers and David McKinley for their respective bills in this effort. Today we will consider Congressman Rogers’ proposal that would reimburse cancer care services equally regardless of whether they are provided in a hospital or physician’s office, and Congressman McKinley’s bill to combine the various Post-Acute Care payments into one reimbursement payment. These legislative initiatives are worthy of our serious consideration, and I look forward to hearing thoughts from all sides on them today.

###